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October 8, 2013

Mr. Reg Milley
President and CEO
Edmonton Regional Airport Authority
1000 Airport Road
Edmonton International Airport, AB T9E 0V3

Dear Mr. Milley,

Today, Air Canada will be announcing a change to our upcoming winter schedule from Edmonton International Airport (YEG). We will be suspending our operation between YEG and London Heathrow (LHR) effective January 5, 2014 for the balance of the winter schedule.

As you are well aware, the YEG-LHR service is challenging during the winter season. Despite that, Air Canada has invested in the market and maintained year round service for 6 years. Your recent announcement that Icelandair, with some financial and other support from YEG, will be commencing service between YEG and Reykjavik Airport (KEF) gave us cause to revisit our YEG international operations.

For the moment, we will be making no change to our summer schedule for the YEG-LHR route, but we will be looking for a proposal from the Edmonton Regional Airport Authority that will ensure that our YEG-LHR operation can remain viable as a year-round service.

I will note that in light of the Icelandair announcement, we have been approached by other airport authorities, with each looking to increase their respective service to LHR and we will be, at the same time, engaging in similar discussions with them.

This is not a decision that we are taking lightly, but it is one that reflects our profound disappointment in the manner in which this has been handled.

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We were specifically very disappointed with your comments reported in the Edmonton Journal, which promoted the Icelandair service at the expense of Air Canada's LHR service, alleging that LHR – one of the great gateways to the world, with connections not only to Europe but also to the Middle and Far East, Africa and the Indian subcontinent – was inconvenient and a poor substitute for KEF. Frankly, we expect more from our partners.

Air Canada remains committed to our operations at YEG which remains an excellent market for us, and an important part of our global network. We see ourselves as a significant customer of the airport and an important stakeholder in Edmonton. We hope that that these events might allow us to refocus our efforts on seeing how we can properly and sustainably build on our relationship.

We look forward to the receipt of a proposal for year round YEG-LHR service from the Edmonton Regional Airport Authority and to discussing this with you in the near future.

Yours truly,



Derek Vanstone
Vice President, Corporate Strategy
Industry and Government Affairs

Copies: Tom Redl, Chair, Edmonton Regional Airport Authority
The Hon. Richard Starke, Minister of Tourism